

ASSEMBLY BILL

No. 1953

**Introduced by Assembly Member Skinner
(Principal coauthor: Assembly Member Williams)**

February 19, 2014

An act to add Article 13 (commencing with Section 16429.40) to Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code, relating to energy efficiency.

LEGISLATIVE COUNSEL'S DIGEST

AB 1953, as introduced, Skinner. Higher Education Energy Efficiency Act: grants.

The Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission. Under existing law, the commission may apply for and accept grants, contributions, and appropriations, and award grants consistent with the goals and objectives of a program or activity the commission is authorized to implement or administer.

This bill would enact the Higher Education Energy Efficiency Act. The bill would create the Higher Education Energy Efficiency Fund in the State Treasury and would make moneys in the fund available to the State Energy Resources Conservation and Development Commission, upon appropriation, to make grants to University of California and California State University campuses for building retrofits to reduce the demand for energy. The bill would require the commission, in consultation with the President of the University of California and the Chancellor of the California State University to establish a system to prioritize eligible campuses for grants, as specified. The bill would

require grant recipients to report to the commission the annual energy savings achieved from grant-funded projects, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The University of California has committed
2 to achieving carbon neutrality through aggressive measures to
3 increase energy efficiency and develop renewable energy. The
4 University of California’s model should produce substantial
5 environmental and economic benefits, leverage current and planned
6 investments by the University of California and others, and include
7 projects that are immediately ready to commence.

8 (b) The California State University has similarly committed to
9 lowering annual energy consumption, reducing greenhouse gas
10 emissions, and lowering energy-related operating costs. Over a
11 five-year period, the California State University expects to decrease
12 demand by 5 percent and decrease electrical consumption across
13 the California State University system by 10 percent. The
14 California State University has committed to incorporate workforce
15 development strategies into its energy efficiency model.

16 (c) There are opportunities to reduce both the economic cost
17 and carbon footprints of campus facilities at the University of
18 California and the California State University by having more
19 energy-efficient buildings, operations, and maintenance. These
20 financial savings could provide flexibility to pay for other upgrades
21 to enhance the learning environment and access to higher
22 education.

23 (d) It is in the best interest of the state to quickly reduce energy
24 consumption at university facilities, especially through building
25 retrofits that achieve the highest levels of energy efficiency
26 improvement.

27 SEC. 2. Article 13 (commencing with Section 16429.40) is
28 added to Chapter 2 of Part 2 of Division 4 of Title 2 of the
29 Government Code, to read:

1 Article 13. Energy Efficiency for Higher Education Facilities

2
3 16429.40. This article shall be known, and may be cited, as
4 the Higher Education Energy Efficiency Act.

5 16429.41. As used in this article:

6 (a) “Chancellor” means the Chancellor of the California State
7 University.

8 (b) “Commission” means the State Energy Resources
9 Conservation and Development Commission.

10 (c) “Eligible institution” means a campus of the University of
11 California or a campus of the California State University.

12 (d) “Fund” means the Higher Education Energy Efficiency Fund
13 established pursuant to Section 16429.42.

14 (e) “President” means the President of the University of
15 California.

16 16429.42. (a) The Higher Education Energy Efficiency Fund
17 is hereby created as a special fund in the State Treasury.

18 (b) Moneys in the fund shall be available to the commission,
19 upon appropriation by the Legislature, for the implementation of
20 this article.

21 16429.43. (a) It is the intent of the Legislature that the
22 commission administer the fund and implement this article in
23 coordination with the chancellor and the president to provide grants
24 to eligible institutions for building retrofits that reduce the demand
25 for energy.

26 (b) The commission shall award grants pursuant to this article,
27 subject to the following:

28 (1) The grants shall be awarded only to eligible institutions.

29 (2) The commission shall ensure that adequate energy audit,
30 measurement, and verification procedures are employed to ensure
31 that energy savings occur as a result of the grants.

32 (c) (1) The commission shall adopt any regulations or guidelines
33 necessary to implement this article. Notwithstanding any other
34 law, regulations pursuant to this section may be adopted as
35 emergency regulations pursuant to Chapter 3.5 (commencing with
36 Section 11340) of Part 1 of Division 3.

37 (2) For the purposes of Chapter 3.5 (commencing with Section
38 11340) of Part 1 of Division 3, including Section 11349.6, the
39 Office of Administrative Law shall consider the adoption of the
40 regulations pursuant to this subdivision to be necessary for the

1 immediate preservation of the public peace, health and safety, and
2 general welfare.

3 (d) The commission, to the extent possible, shall utilize existing
4 resources and expertise in implementing this article.

5 (e) (1) Any eligible institution may submit an application to
6 the commission for a grant from the fund for energy efficiency
7 improvements. The form of the application shall be established by
8 the commission.

9 (2) The commission, in consultation with the chancellor and
10 the president, shall establish a system to prioritize eligible
11 institutions for grants through this article. Prioritization shall take
12 into consideration circumstances that shall include, but not be
13 limited to, the age of the campus facilities, the proportion of
14 students at the campus receiving Cal Grant awards, whether the
15 facilities have been recently modernized, the potential for demand
16 reduction, and the campus's score from a recognized energy rating
17 system or systems.

18 (f) This article shall not affect the eligibility of universities
19 awarded grants pursuant to this article to receive other incentives
20 available from federal, state, and local government, or from public
21 utilities or other sources, and to leverage the grant with those
22 incentives.

23 (g) Each year, on a schedule established by the commission,
24 each eligible institution that receives a grant pursuant to this article
25 shall report to the commission the amount of energy saved. Each
26 eligible institution shall compute the cost of energy saved as a
27 result of implementing projects funded by the grant. The cost shall
28 be calculated in a manner established by the commission.

29 (h) The commission shall determine, based on the annual energy
30 savings reported by the eligible institutions pursuant to subdivision
31 (g), the energy savings achieved pursuant to this article.